

Annual Budget and Appropriation and Property Tax Levy

For the purpose of adopting the City Budget, comprising the Annual Operating Budget for the fiscal year ending June 30, 2027, the Capital Budget for the fiscal year ending June 30, 2027, the Capital Improvement Program for the fiscal years ending June 30, 2028, June 30, 2029, June 30, 2030, June 30, 2031, and June 30, 2032; appropriating funds for all expenditures for the fiscal year beginning July 1, 2026, and ending June 30, 2027; levying and imposing a property tax for the use of the City of Annapolis for the taxable year beginning July 1, 2026 and ending June 30, 2027; and fixing the rate of the City property tax for the taxable year.

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance 8-26

Introduced by: Mayor Littman

Referred to

Planning Commission
Finance Committee
Financial Advisory Commission

AN ORDINANCE concerning

**Annual Budget and Appropriation
and Property Tax Levy**

FOR the purpose of adopting the City Budget, comprising the Annual Operating Budget for the fiscal year ending June 30, 2027, the Capital Budget for the fiscal year ending June 30, 2027, the Capital Improvement Program for the fiscal years ending June 30, 2028, June 30, 2029, June 30, 2030, June 30, 2031, and June 30, 2032; appropriating funds for all expenditures for the fiscal year beginning July 1, 2026 and ending June 30, 2027; levying and imposing a property tax for the use of the City of Annapolis for the taxable year beginning July 1, 2026, and ending June 30, 2027; and fixing the rate of the City property tax for the taxable year.

SECTION 1: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$125,233,400 are appropriated for the General Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes listed in Appendix A to this ordinance.

SECTION 2: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$200,000 are appropriated for the

Arts in Public Places Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	\$	200,000
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SECTION 3: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$266,600 are appropriated for the Community Development Block Grant during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Supplies and Other Costs	\$	266,600
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SECTION 4: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$5,170,085 are appropriated for the Grant Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes listed in Appendix B to this ordinance.

SECTION 5: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$345,000 are appropriated for the Forfeiture and Asset Seizure Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	\$	213,000
b.	Supplies and Other Costs	\$	82,000
c.	Capital Outlay	\$	50,000

SECTION 6: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$325,000 are appropriated for the Sprinkler Assistance Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Supplies and Other Costs	\$	325,000
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SECTION 7: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$333,300 are appropriated for the Sustainable Mobility Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

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A.	Supplies and Other Costs	\$	25,800
B.	Interfund Transfers	\$	307,500

SECTION 8: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$450,000 are appropriated for the

Reforestation Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	\$	450,000
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SECTION 9: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$67,000 are appropriated for the Public, Educational, Governmental (PEG) Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Supplies and Other Costs	\$	65,600
b.	Interfund Transfers	\$	1,400

SECTION 10: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$543,700 are appropriated for the Affordable Housing Assistance Trust Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	\$	543,700
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SECTION 11: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$152,800 are appropriated for the Opioid Restitution Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	104,700
b.	Contractual Services	\$	26,600
c.	Supplies and Other Costs	\$	21,500

SECTION 12: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$11,054,000 are appropriated for the Sewer Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	1,778,600
b.	Contractual Services	\$	5,812,200
c.	Supplies and Other Costs	\$	75,600
d.	Debt Service	\$	1,429,000
e.	Interfund Transfers	\$	1,958,600

SECTION 13: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$12,217,000 are appropriated for

the Water Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	3,355,000
b.	Contractual Services	\$	1,215,300
c.	Supplies and Other Costs	\$	450,700
d.	Debt Service	\$	3,991,000
e.	Interfund Transfers	\$	3,205,000

SECTION 14: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$11,013,000 are appropriated for the Off-Street Parking Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	88,200
b.	Contractual Services	\$	2,921,600
c.	Supplies and Other Costs	\$	32,600
d.	Debt Service	\$	2,706,000
e.	Interfund Transfers	\$	5,264,600

SECTION 15: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$7,108,200 are appropriated for the Transportation Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	4,953,400
b.	Contractual Services	\$	269,300
c.	Supplies and Other Costs	\$	389,700
d.	Debt Service	\$	23,700
e.	Interfund Transfers	\$	1,472,100

SECTION 16: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$2,830,400 are appropriated for the Watershed Restoration Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	1,179,000
b.	Contractual Services	\$	843,650
c.	Supplies and Other Costs	\$	79,800
d.	Debt Service	\$	383,450
e.	Interfund Transfers	\$	344,500

SECTION 17: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$4,691,600 are appropriated for the Refuse Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	512,500
b.	Contractual Services	\$	2,560,500
c.	Supplies and Other Costs	\$	1,080,100
d.	Debt Service	\$	46,900
e.	Interfund Transfers	\$	491,600

SECTION 18: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$3,833,000 are appropriated for the Self Insurance Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	100,000
b.	Contractual Services	\$	167,000
c.	Supplies and Other Costs	\$	3,566,000

SECTION 19: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$14,457,100 are appropriated for the Health Insurance Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	\$	50,000
b.	Supplies and Other Costs	\$	14,407,100

SECTION 20: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$1,681,850 are appropriated for the Fleet Replacement Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Capital Outlay	\$	916,450
b.	Debt Service	\$	765,400

SECTION 21: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$2,923,400 are appropriated for the Fleet Operations Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	\$	1,071,900
b.	Contractual Services	\$	840,400
c.	Supplies and Other Costs	\$	966,900
d.	Interfund Transfers	\$	44,200

SECTION 22: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the anticipated revenues and appropriated fund balances are shown in Appendix C to satisfy the requirements set forth in 6.16.010 of the Code to include estimates of anticipated revenues in the operating budget adopted by the City Council for the fiscal year beginning July 1, 2026, and ending June 30, 2027.

SECTION 23: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds for expenditures for the Capital Projects hereinafter specified are appropriated for the Capital Budget during the fiscal year beginning July 1, 2026, and ending June 30, 2027.

1	Annapolis Walk Park Improvements	\$210,000
2	APD Restroom Remodel	\$840,000
3	Bay Ridge Avenue Bikeways	\$3,528
4	Carr's/Elktonia/Moore's Beach Park	\$210,000
5	Cedar Park Sidewalks	\$105,000
6	Chesapeake Children's Museum Improvements	\$210,000
7	City Dock Resilience and Revitalization	\$16,099,356
8	City Facility Improvements	\$735,000
9	City Facility Roof Replacements	\$1,050,000
10	City Facility Security Upgrades	\$189,000
11	City Harbor Flood Mitigation	\$1,443,169
12	City Offices Space Planning	\$310,000
13	Downtown Circulation Improvement	\$262,500
14	Eastport Choice Neighborhood Initiative	\$500,000
15	Eastport Flood Mitigation	\$840,000
16	Facility Generators	\$630,000
17	Facility HVAC Controls	\$1,050,000
18	Farragut Road Sidewalk - Schley Road to Cedar Park Road	\$84,000
19	Fire Department Engine Bay Floors	\$200,000
20	Fire Station Restrooms - Taylor Ave	\$73,500
21	Fire Stations - Complete Remodel/Rebuild of All 3	\$2,000,000
22	Fitness Equipment Replacement	\$52,500
23	General Roadways	\$1,417,500
24	General Sidewalks	\$201,600
25	General Sidewalks - Brick	\$378,000
26	General Striping and Marking	\$262,500
27	Howard Dignan Aly	\$262,500
28	Moyer Park Sidewalk Enhancements	\$5,859
29	Newman Street Playground Replacement	\$36,750
30	Northwest Street Park	\$50,000
31	Public Mooring Replacement	\$52,500
32	Robert Eades Park	\$52,500
33	S. Southwood Sidewalk and Stormwater Management	\$525,000

1	34	Spa Road Sidewalk - Forest Drive to Hilltop Lane	\$6,930
2	35	Standard Specifications and Construction Details	\$210,000
3	36	Taylor Avenue Traffic Improvements	\$105,000
4	37	Traffic Signal or Circle and Safety Improvements on Hilltop Lane	\$25,000
5	38	Traffic Signal Rehabilitation and Replacement with Circles	\$52,500
6	39	Tucker Street Boat Ramp	\$8,932
7	40	TWaterway Improvement Project - 4th Street	\$219,345
8	41	Waterway Improvement Project - 6th Street	\$4,397
9	42	Waterway Improvement Project - Amos Garrett Blvd	\$63,000
10	43	Waterway Improvement Project - Burnside Street	\$78,750
11	44	Waterway Improvement Project - Cheston Ave	\$104,205
12	45	Waterway Improvement Project - Conduit Street	\$157,500
13	46	Waterway Improvement Project - Shipwright Street	\$84,000
14	47	Waterway Improvement Project - Thompson Street	\$84,000
15	48	Wells Cove	\$52,500
16	49	West East Express Bikeway	\$13,792
17	50	Gotts Garage Improvements	\$1,466,588
18	51	Gorilla Posts for Parking	\$157,500
19	52	Knighton Garage Elevator Replacement	\$540,750
20	53	Knighton Garage Improv	\$525,000
21	54	Parking Access Control Management System	\$12,500
22	55	Parking Garage and Lot Improvements	\$105,000
23	56	Park Place Garage Improvements	\$525,000
24	57	WIFI Garages	\$157,500
25	58	Bus Shelter Rehabilitation	\$78,750
26	59	Sewer Rehabilitation	\$2,900,000
27	60	Water Distribution Rehabilitation	\$4,500,000
28	61	Merryman Stream Restoration	\$892,500
29	62	Stormwater MS4 Permit Compliance	\$1,042,833

SECTION 24: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the appropriations approved in the Capital Budgets for all prior fiscal years are amended by reduction of the following appropriations in the projects:

1. Reduce the \$732,610 appropriation for Acton Cove Waterfront Park by \$360,570.
2. Reduce the \$661,053 appropriation for Bay Ridge Avenue Sidewalk by \$404,250.
3. Reduce the \$330,173 appropriation for Burtis House by \$330,173.
4. Reduce the \$571,200 appropriation for Citywide Public Water Access Improvements \$413,500.
5. Reduce the \$3,572,125 appropriation for College Creek Connector Trail \$3,014,175.
6. Reduce the \$525,000 appropriation for Complete Streets Supplemental Funding by \$525,000.
7. Reduce the \$3,859,016 appropriation for Connecting Communities by \$1,181,250.
8. Reduce the \$112,560 appropriation for Duke of Gloucester Floating Pier by \$93,045.
9. Reduce the \$2,061,039 appropriation for the Electric Annapolis Mobility Plan by \$1,671,282.

10. Reduce the \$359,700 appropriation for General Existing Waterfront Access Infrastructure by \$109,562.
11. Reduce the \$63,000 appropriation for Gibraltar Avenue by \$63,000.
12. Reduce the \$2,835,000 appropriation for Griscom, Collison, & Weems Whelan Ballfields by \$735,000.
13. Reduce the \$4,254,870 appropriation for Hawkins Cove by \$2,335,364.
14. Reduce the \$770,280 appropriation for Hilltop Lane Hiker/Biker Connection by \$70,280.
15. Reduce the \$116,550 appropriation for Russell Street by \$116,550. Reduce the \$1,307,500 appropriation for Spa Road Environmental Remediation (formerly, Weems-Whelan Field) by \$150,000.
16. Reduce the \$4,453,000 appropriation for Stanton Center Renovations by \$2,646,000.
17. Reduce the \$372,750 appropriation for Traffic Safety Improvements by \$125,000.
18. Reduce the \$678,950 appropriation for Truxtun Park Improvements by \$9,390.
19. Reduce the \$945,000 appropriation for Truxtun Park Road Parking Improvement by \$525,000.
20. Reduce the \$460,100 appropriation for Upgrade City Coordinate System by \$150,000.
21. Reduce the \$283,500 appropriation for Waterworks Buildings and Parking Improvements by \$230,580.
22. Reduce the \$1,879,500 appropriation for Transportation Charging Infrastructure by \$525,000.
23. Reduce the \$750,000 appropriation for Hilltop Culvert Replacement by \$415,918.

SECTION 25: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the Capital Improvement Program for the fiscal years ending June 30, 2028, June 30, 2029, June 30, 2030, June 30, 2031, and June 30, 2032 as described in the Appendix D is approved as constituting the plan of the City to receive and expend funds for capital projects.

SECTION 26: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of \$375,000 are appropriated for operating and/or capital grants to non-profit organizations under the City of Annapolis Community Grant Program in accordance with 6.16.060 of the City Code during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes listed in Appendix E to this ordinance.

SECTION 27: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the City Council hereby approves the acceptance of gifts, grants, and contributions to support appropriations in this Ordinance and those shown as funding sources in the Capital Budget and Capital Improvement Program approved by this Ordinance; that the Director of Finance has the authority to lower a grant appropriation to match the amount of the grant available; that it recognizes that the City possesses legal authority to apply for the grant; that it authorizes the filing of grant applications, including all understandings and assurances contained therein; that it directs and authorizes the Mayor or the Mayor's designee to act in connection with

1 the application and to provide such additional information as may be required by the application
2 or the grantor. This ordinance re-appropriates or appropriates revenue received from non-City
3 sources for programs funded in whole or in part from those non-City sources together with
4 matching City funds, if any; and to the extent that the program period approved by the non-City
5 source requires more than one fiscal year to complete the grant program, under the terms of receipt
6 of the non-City revenues.

7
8 **SECTION 28: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
9 **ANNAPOLIS CITY COUNCIL** that a City property tax rate for the taxable year beginning July
10 1, 2026, and ending June 30, 2027, is hereby levied and imposed on all assessments, persons, or
11 property subject to ordinary taxation in the City of Annapolis, and that the rate of taxation for such
12 taxable year is hereby fixed at \$0.7380 on each \$100 of full assessed value of real property, and
13 \$1.94 on each \$100 of the full assessed value of personal property located within the corporate
14 limits of the City of Annapolis.

15
16 **SECTION 29: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
17 **ANNAPOLIS CITY COUNCIL** that it shall be the duty of the Director of Finance of the City of
18 Annapolis to collect the sums set apart for the several funds, to keep separate receipts and amounts
19 thereof, to deposit the same to the credit of funds as required by the several Acts and Ordinances
20 relating to and providing for the several bonds issued, and to receive on account thereof only
21 current money and legal tender of the United States.

22
23 **SECTION 30: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
24 **ANNAPOLIS CITY COUNCIL** that taxes levied by this Ordinance remaining unpaid on October
25 1, 2026, except for taxpayers who elect to make a partial payment before October 1 with the
26 balance due later as allowed by State law, shall be overdue, and from and after that date shall bear
27 interest, to be collected with said taxes, at the rate of one and one-half percent (1.5%) per month
28 until paid.

29
30 **SECTION 31: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
31 **ANNAPOLIS CITY COUNCIL** that the City budget for the fiscal year beginning July 1, 2026,
32 and ending June 30, 2027, as adopted by this ordinance, shall take effect on July 1, 2026.